

# Quarterly Report



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4th. Quarter 2001, Report No. 30

October-December 2001

## California Partnership for Long-Term Care

[www.dhs.ca.gov/cpltc](http://www.dhs.ca.gov/cpltc)

### Participating Insurers

- Bankers Life and Casualty Company
- California Public Employees' Retirement System (PERS)
- Continental Casualty Company
- GE Capital Assurance (formerly AMEX)
- John Hancock
- New York Life Insurance Company
- Transamerica Occidental Life Insurance Company

### This Quarter

### To Date

### Applications Received:

3,907

41,310

### Applications Denied:

645

8,229

### Applications Pending & Withdrawn:

0

0

### Policies Purchased:

3,262

33,081

### Policies Dropped (voluntarily & for un- known reasons\*):

223

3,207

### Policies Not Taken Up: (dropped within 30 days of purchase)

97

1,373

### Total Policies In Force (Active):

N/A

28,565

### Number of Policyhold- ers Who Received Ser- vice Payments:

186

353

### Table of Contents

|   |               |
|---|---------------|
| <b>I. Quarterly and Cumulative Statistics</b>       | <b>Pg 1-2</b> |
| <b>II. Maximum Benefit Amounts Distribution</b>     | <b>Pg 2</b>   |
| <b>III. Age of Policyholders</b>                    | <b>Pg 3</b>   |
| <b>IV. Trends</b>                                   | <b>Pg 4</b>   |
| <b>V. Policyholders and Asset Protection Earned</b> | <b>Pg 5</b>   |
| <b>VI. Service Utilization</b>                      | <b>Pg 5</b>   |

### I. Quarterly and Cumulative Statistics

#### Telephone Calls:

#### This Quarter

#### Cumulative

Number of Con-  
sumers Who  
Called Toll-Free

352

22,150  
(CARE445)

<sup>1</sup> \* Does not include 62 drops reported as deaths, rescissions, conversions or exhausted benefits.

## I. Quarterly and Cumulative Statistics

| <u>Age:</u>        | <u>This Quarter</u> | <u>Cumulative</u> |
|--------------------|---------------------|-------------------|
| Median             | 60                  | 64                |
| Target Age (55-74) | 2,045 (71%)         | 21,218 (74%)      |
| Other Ages         | 835 (29%)           | 7,347 (26%)       |

### Gender:

|        |             |              |
|--------|-------------|--------------|
| Male   | 1,123 (39%) | 11,495 (40%) |
| Female | 1,757 (61%) | 17,070 (60%) |

### Marital Status:

|             |             |              |
|-------------|-------------|--------------|
| Married     | 1,814 (63%) | 19,159 (67%) |
| Not Married | 1,066 (37%) | 9,391 (33%)  |
| Unknown     | 0 ( 0%)     | 15 (<1%)     |

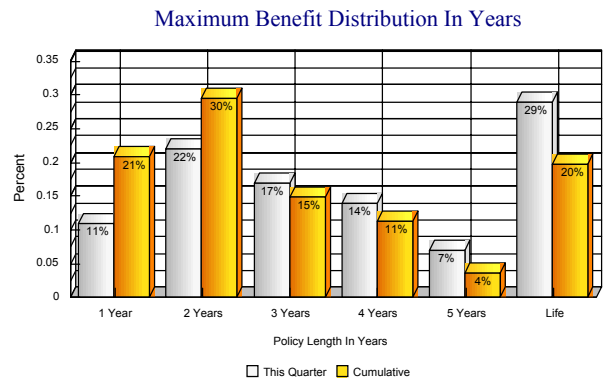
### Policy Type:

|               |             |              |
|---------------|-------------|--------------|
| Comprehensive | 2,794 (97%) | 25,717 (90%) |
| Nursing Home  | 86 ( 3%)    | 2,848 (10%)  |

### Purchase Type:

|                                |              |               |
|--------------------------------|--------------|---------------|
| First Time Purchase            | 2,650 (92%)  | 26,421 (93%)  |
| Upgrade                        | 86 ( 3%)     | 582 ( 2%)     |
| Replacement                    | 144 ( 5%)    | 1,554 ( 5%)   |
| Reinstatement                  | 0 ( 0%)      | 8 (<1%)       |
| Totals for each category above | 2,880 (100%) | 28,565 (100%) |

## II. Maximum Benefit Amounts Distribution



### Maximum Benefit (In years):

|                       | 1 Yr  | 2 Yr  | 3 Yr  | 4 Yr  | 5 Yr  | Life  | All    |
|-----------------------|-------|-------|-------|-------|-------|-------|--------|
| This Qtr. # Policies  | 317   | 634   | 490   | 403   | 202   | 834   | 2,880  |
| This Qtr. %           | 11%   | 22%   | 17%   | 14%   | 7%    | 29%   | 100%   |
| Cumulative # Policies | 5,939 | 8,427 | 4,264 | 3,210 | 1,058 | 5,667 | 28,565 |
| Cumulative %          | 21%   | 29%   | 15%   | 11%   | 4%    | 20%   | 100%   |

### Characteristics By Maximum benefit In Years (This Quarter)

#### Characteristic:

|                      | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr | Life | All |
|----------------------|------|------|------|------|------|------|-----|
| Married              | 47%  | 58%  | 60%  | 66%  | 77%  | 71%  | 63% |
| Female               | 65%  | 60%  | 58%  | 61%  | 60%  | 61%  | 61% |
| Avg. Age             | 64   | 65   | 63   | 61   | 58   | 55   | 60  |
| Target Ages          | 68%  | 70%  | 81%  | 84%  | 77%  | 60%  | 71% |
| New Purchase         | 77%  | 93%  | 93%  | 96%  | 91%  | 94%  | 92% |
| Comprehensive Policy | 94%  | 97%  | 96%  | 98%  | 97%  | 99%  | 97% |

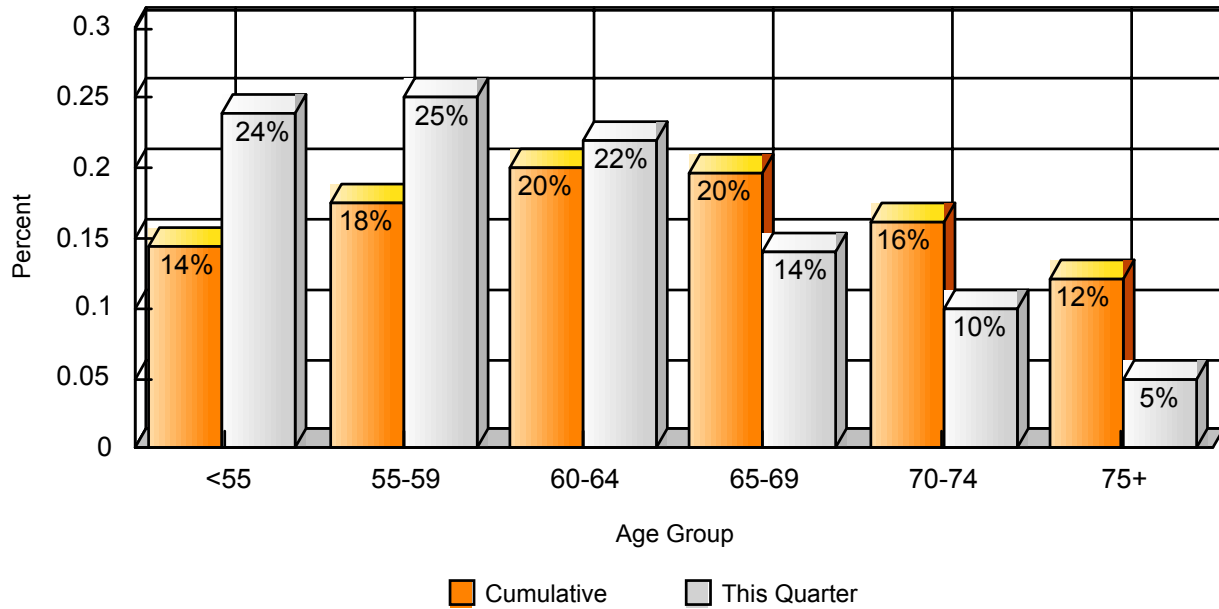
### III. Age of Policyholders (at time of purchase)

#### Age Group:

|                              | <55   | 55-59 | 60-64 | 65-69 | 70-74 | 75+   | Total  |
|------------------------------|-------|-------|-------|-------|-------|-------|--------|
| <b>This Qtr. # Policies</b>  | 691   | 720   | 634   | 403   | 288   | 144   | 2,880  |
| <b>This Qtr. %</b>           | 24%   | 25%   | 22%   | 14%   | 10%   | 5%    | 100%   |
| <b>Cumulative # Policies</b> | 4,124 | 5,020 | 5,738 | 5,615 | 4,613 | 3,455 | 28,565 |
| <b>Cumulative %</b>          | 14%   | 18%   | 20%   | 20%   | 16%   | 12%   | 100%   |

NOTE: At times, the plotted percentages may not appear to agree with the table above due to rounding.

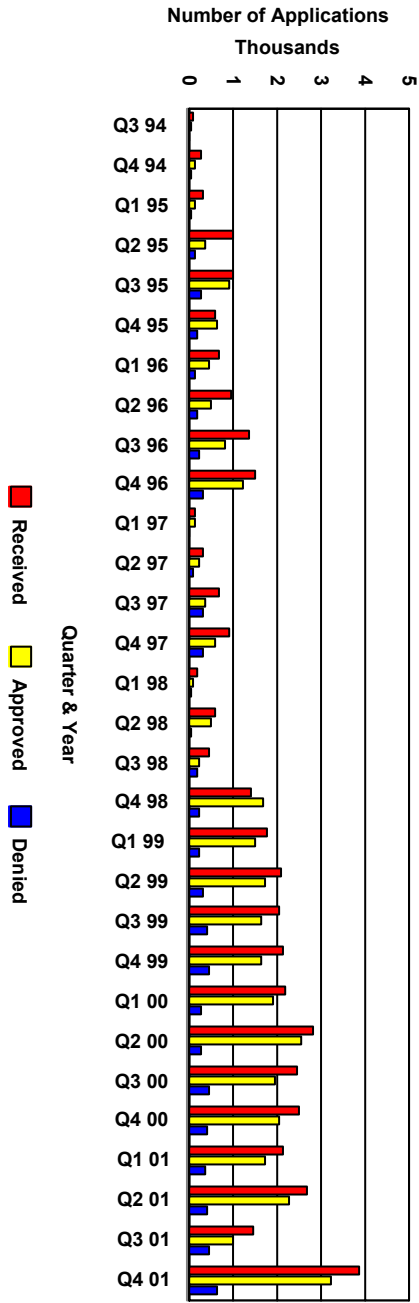
### Policyholders Age Distribution By Age Group



IV. Trends

| Quarter  | 1996 |       |     |     | 1997  |       |     |     | 1998 |     |     |     | 1999 |       |       |       | 2000  |       |       |       | 2001  |       |       |       |       |       |
|----------|------|-------|-----|-----|-------|-------|-----|-----|------|-----|-----|-----|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|          | 1994 | 1995  | Q1  | Q2  | Q3    | Q4    | Q1  | Q2  | Q3   | Q4  | Q1  | Q2  | Q3   | Q4    | Q1    | Q2    | Q3    | Q4    | Q1    | Q2    | Q3    | Q4    |       |       |       |       |
| Received | 402  | 2,979 | 718 | 978 | 1,365 | 1,537 | 165 | 260 | 708  | 949 | 191 | 600 | 477  | 1,440 | 1,779 | 2,107 | 2,073 | 2,151 | 2,205 | 2,841 | 2,473 | 2,528 | 2,156 | 2,721 | 1,492 | 3,907 |
| Approved | 237  | 2,123 | 496 | 513 | 858   | 1,228 | 140 | 239 | 375  | 612 | 115 | 537 | 262  | 1,692 | 1,520 | 1,763 | 1,655 | 1,654 | 1,908 | 2,547 | 1,978 | 2,087 | 1,769 | 2,284 | 1,019 | 3,262 |
| Denied   | 60   | 713   | 181 | 225 | 270   | 363   | 25  | 121 | 326  | 337 | 84  | 63  | 215  | 269   | 259   | 344   | 418   | 497   | 287   | 294   | 495   | 441   | 387   | 437   | 473   | 645   |

Trend In Applications Received, Approved, Denied  
By Quarter



Redesigned policies available as of the 4th. quarter of 1998

## V. Policyholders and Asset Protection Earned

|  | <u>This Quarter</u> | <u>Cumulative</u> |
|--|---------------------|-------------------|
| Number of policyholders to date, who have qualified to receive benefit payments  | 46                  | 479               |
| Total asset protection earned by all policyholders who have received benefits  | \$875,811           | \$6,298,422       |
| Number of policyholders currently in benefit/payments made   | 186                 | N/A               |
| Number of Policyholders that have exhausted benefits   | 10*                 | 24                |
| Total asset protection earned to date by policyholders that have exhausted benefits                                      | \$363,489           | \$1,116,290       |
| Number of policyholders that have died while in benefit  | 61**                | 124               |
| Total asset protection that will NOT be accessed due to death of policyholders.  | \$4,178,917         | \$7,102,187       |
| Number of policyholders who have exhausted their policy benefits and accessed Medicaid as of 12/30/2001                  | 1                   | 5                 |
| Asset protection earned by policyholders who have exhausted their policy benefits and accessed Medicaid as of 12/30/2001 | N/A                 | \$263,115         |

\* 2 of the 10 exhausted policies reported here occurred during the 3rd. Quarter but were not detected (reported) due to late submitted Summary Reports.

\*\* 17 of the 61 deaths reported here occurred in the 3rd quarter and were inadvertently omitted from the 3rd. Quarter report

## VI. Service Utilization

| <b>Type of Service<br/>(Other Than Case Management)</b> | <b>This Quarter, % of All Services<br/>Rendered to Policyholders In-<br/>Benefit (186) by Type of Service</b> | <b>Cumulative % of All Services Ren-<br/>dered to All Policyholders (479) by<br/>Type of Service</b> |
|---|---|--|
| Skilled Nursing Facility                                | 6%  | 6%   |
| Assisted Living Facility/RCF                            | 13%   | 13%  |
| Other Alternative Housing                               | 1%  | 1%   |
| Home Health Aide Services                               | 9%  | 9%   |
| Attendant Care  | 7%  | 11%  |
| Personal Care   | 12%   | 9%   |
| Monitoring  | 2%  | <1%  |
| Durable Medical Equipment                               | 1%  | <1%  |

NOTE: Care management services such as assessments, care planning, reassessments and monitoring (which are absorbed as insurer administrative costs and therefore not charged against the policyholder's benefit pool) and services amounting to less than 1% usage during the quarter are not reported on. Therefore, the percentages total may not equal 100%.

# The California Partnership for Long-Term Care 4th. Quarter of 2001 Quarterly Report

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Visit the Partnership's Website at [www.dhs.ca.gov/cpltc](http://www.dhs.ca.gov/cpltc)